

Sheila Bartlett
vs.
Countryway Insurance Company

Held February 22, 2018 – Docket No. INS-18-2006
Decision Issued: March 2, 2018

The named insured requested a hearing to contest the cancellation of her dwelling fire insurance for failure to comply with loss control recommendations relating to painting and repair of outside steps. The company did not provide the minimum compliance time required by statute before it could cancel.

Held: For the insured. The insurer had originally written coverage under a dwelling fire policy to cover a rental dwelling, with cancellation grounds applicable to that exposure. As the insured has been living in the property for several years, it has to be treated as an owner-occupied property. The insurer therefore had to comply with the cancellation grounds in the Property Insurance Cancellation Control Act. 24-A M.R.S.A. § 3049(10) allows cancellation for failure to comply with reasonable loss control recommendations within 90 days after notice from the insurer. The insurer's cancellation notice was effective before the 90-day period allowed under section 3049(10) ended.